

IN THE MINES

Territorial and Local News
Showing conditions at close of
week—The Bonanza Circle
and stock gossip.

As Seen By Boston Brokers

CIRCULAR BY HAYDEN, STONE &
CO. AFTER INVESTIGATION
OF WARREN DISTRICT.

Interesting Recapitulation of Manner
of Organizations of Bonanzas and
the Status It Has Brought Them to
—What is Now Being Done.

A circular issued by Hayden, Stone
& Co. says:

We have had the following prepared
for us and on account of the great
activity throughout the Lake Superior
district in these stocks during the past
two years we believe that the follow-
ing will be of interest as Boston has
taken very little interest to date in
these properties.

Lake Superior people have been in-
vesting and speculating in western
mining stocks for many years and
their aggregate holdings in western
camps four years ago amounted to a
very respectable figure even though
most of the shares bought turned out
to be gold bricks. It was not, how-
ever, until the opening of the Calumet
& Arizona mines, at Bisbee, in the
Warren district of Cochise county, Ari-
zona, that the Lake people became a
really important factor in western
mines, or, for that matter, in mining
in any field except their own.

The Lake Superior & Western De-
velopment company, the parent of the
Calumet & Arizona, and the forerun-
ner of all the other Michigan-Arizona
copper mining and development com-
panies, was organized in March, 1899,
just after the culmination of the big
copper boom of 1898-99. The capitaliza-
tion was but \$200,000 in 20,000 shares
of \$10 par, and not all of this was
called. The company took a bond
and lease, at the price of \$500,000 on
the Irish May and adjoining claims,
lying next to the property of the
Copper Queen mine, controlled by
Phelps, Dodge & Co., one of the big
mines of the world, and, until the de-
velopment of the Calumet & Arizona,
the only producer of the Warren dis-
trict.

The Lake Superior plan of financ-
ing a copper company, or, rather, the
Boston plan of financing a Lake Su-
perior copper company, is to pay for
the lands outright and place the entire
stock issue, or as much of it as may
be repaid to furnish a working fund
of several thousand dollars, before the
formal organization of the corporation
and delivery of stock certificates.
Promoters' profits are included in the
price of the lands turned over to the
company, and the new corporation
starts life with a clear title to all its
lands and a large cash surplus. The
western plan of promotion is, usually,
to take a bond and lease upon certain
lands, organize a company with one to
five million shares, par value \$1, draw
down the promoters' profits in stock
and sell treasury stock to provide for
dividends.

This western plan has several ser-
ious drawbacks, among which are lack
of title to lands, which may be and
frequently are lost because of in-
ability to make the bond payments as
they come due; lack of adequate
working capital and difficulty in secur-
ing same by sale of stock, which com-
monly is peddled out in small lots by
fiscal agents, not always thoroughly
responsible and who exact commis-
sions on sales of stock running from
25 to 60 per cent; and, last, but not
least, the strong likelihood that some
of the promoters' stock, which repre-
sents little or no cash outlay, may
come on the market selling for work-
ing expenses, or, as frequently hap-
pens, to stop its sale entirely. The
features of western mining promotion
herein pointed out are responsible for
the failure of many companies owning
valuable properties. No account is
taken of the numerous fraudulent
companies organized solely to sell
shares. Until western mining com-
panies are organized upon a more busi-
ness-like basis, none but the demon-
strated successes can be said to pos-
sess anything like a definite market
value.

In the case of the Lake Superior &
Arizona Mining company, and the other
later companies organized under
the same auspices, the plan of promo-
tion was a combination of the Boston
and western systems. In each case a
preliminary development company
with capitalization of \$200,000 to
\$250,000 only was organized to take a
bond and lease upon the lands desired.
When mineral values sufficient to
make a mine had been developed, a
regular mining company with a cap-
italization of \$2,500,000 in 250,000

shares, par \$10, was organized, tak-
ing over the property of the develop-
ment company and giving shareholders
in the latter several shares of
new mining stock for each share of
old development stock, without fur-
ther cash payment, and raising \$1,
000,000 or more by selling stock at
par \$10.

Since the great success of the Cal-
umet & Arizona flotation, outsiders
have not been able to secure any
stock at par upon reorganization, hold-
ers of development stock not only
taking every share due them under
their rights, but largely oversubscrib-
ing the new issue. With the mil-
lion or more raised in cash by re-
organization, which reorganization
was planned from the start, subject to
the finding of sufficient ore to make
a mine, the new company has taken
up its bond, paying for its land in
full, and has been left with several
hundred thousand dollars for develop-
ment and equipment.

The Lake Superior plan of finance is
original, and is, perhaps, better adapt-
ed to local conditions in the western
mining states than the Boston plan of
organizing Lake companies, owing to
the fact that mining lands in the west
are usually held by numerous differ-
ent owners, all of whom are anxious to
get a little ready cash, which is pro-
vided by the initial payment when the
bond and lease are taken, but who
are not willing to sell at what would
be considered a fair cash price. By
this system the purchaser secures
possession for 18 months to two years
by the payment of 15 to 25 per cent
of the full price, and can throw up
his bargain if it is unsatisfactory.

The plan also has operated great-
ly to the advantage of share holders
in the case of the Calumet & Arizona
and its numerous progeny, by mak-
ing a little cash go a long way, and
the successes scored have been no
numerous and so regular that when-
ever it has come time to raise an-
other million in cash for a new com-
pany the advance in price of previous
flotations has been so great that cash
for the new company could be secured
by the sale of a small part of the
holdings in the next oldest company
or secured by pledging some of the
older shares. The Calumet & Ari-
zona group has demonstrated its value
so thoroughly that money can be bor-
rowed upon its shares from the banks
of Houghton county, Duluth, Ishpe-
ming, Marquette and Pittsburg as easily
and upon as favorable terms as simi-
lar loans can be secured from Bos-
ton banks upon the gilt-edged Lake
stocks.

(To be continued tomorrow)

PHENOMENAL PRODUCER.

Sam Gibson was in town Monday,
says the Globe, and with fear and
trembling awaited the hour of mid-
night, when the option held by F. W.
Hear, for Michigan parties, on the
Gibson mine, expired. He stated that
if the deal was consummated he and
his partner, Tip Gibson, would be
the losers by at least \$100,000, as he
valued the property at more than
\$100,000 above the option price,
which it is rumored was \$100,000. Sam
went back to the mine happy, Tuesday
morning, the option having been al-
lowed to expire.

The Gibsons have been stoping ore
from the 200-foot level for five months
and the ore body is now larger and
richer than when they commenced
stoping. The vein is 7 feet 4 inches
thick and the ore, chalcopryite, runs
from 25 to 32 per cent copper. There
is practically no waste and therefore
scarcely any sorting necessary.

The Gibsons have nine teams haul-
ing ore from the mine to the Old Do-
minion smelter, and it is estimated
are realizing \$20,000 or more per
month from the shipments. It is
doubtful if the Gibson mine, for its
size, has its equal in Arizona, or the
world, for that matter.

TOMBSTONE CONSOLIDATED.

Progress on the hill and all over the
Tombstone Consolidated system for
that matter has been quite satisfac-
tory during the week says the Pros-
pector. The situation in regard to
water is not only under control, but
steadily improving. The work demon-
strates at every step that the district,
as regards resources, is still in short
dresses. The situation in regard to
dresses. The company is evidently
disposed to open up bodies of ore
which in point of magnitude is com-
mensurate with the scale upon which
all their other plans are laid, before
commencing stoping operations. Other
important plans of much benefit to
Tombstone are contemplated, and the
general outlook is most encouraging.

Greene Consolidated Goes Soaring

COPPER MARKET REACHES 15-1-4
AND IS STILL RISING.

Yesterday's Market Shows a Great
Deal of Strength in the Bonanzas
With the Single Exception of Lake
Superior & Pittsburg—C. & A. at
\$115.00.

(By Frank J. Graf.)

Today's market showed a great deal
of strength all around with the Bo-
nanzas, with the exception of Lake
Superior & Pittsburg.

Calumet & Arizona held firm at \$115
asked, while the best bid was \$113.
Calumet and Pittsburg opened with
considerable strength. At one time
they were bidding \$10, but the very
best that could be done was \$39.50 at
the close. Pittsburg & Duluth start-
ed off with a brisk advance, this stock
opening at \$25 bid, and last sales
were made at \$25.75 early in the af-
ternoon, and at close \$26 was bid.

Lake Superior & Pittsburg has been
off all day. The best bid that could
be had was \$17, and \$17.50 was asked.
Junction was in good demand all
day. Sales were made at \$73.75 ear-
ly in the afternoon. At the close of the
market we received a bid of \$76. First
we thought that an error might have
been made by transmission in hand-
ling, but have not been able to con-
firm as yet. Wolverine & Arizona
lost all the ginger that she had on
Saturday; we were unable to get a bid
on this stock, but there was all kinds
of it for sale in the eastern market at
\$3, but no one was willing to buy.

The New York Market.
(Logan & Bryan, Members Stock Ex-
change.)

The copper market showed great ac-
tivity, with Greene Con. in the lead.
This stock closed today at \$26.12
higher than at the close of Saturday,
the cause of the advance, we are in-
formed, being reported heavy buying
orders from New York. Shannon Cop-
per, which has been around \$7 for
some little time, closed at \$9.00 bid,
after heavy trading all day. Copper
Range moved rapidly up to \$73. Pub-
lic sentiment was very bullish on the
general outlook.

Copper reached 15-1-4 cents.
Total sales, 1,137,400 shares.

	Bid.	Asked.
C. & A.	\$115.00	\$115.00
C. & P.	39.50	40.00
L. S. & P.	47.00	47.50
P. & D.	26.00	
Junction	76.00	
Black Mt.	1.10	

New York Market.

Amal.	\$ 30.75
Colo. Fuel	47.37
Mo. Pac.	109.12
R. I.	36.50
S. P.	67.75
U. S. Steel (common)	28.00
Steel (preferred)	59.50
Copper Range	72.87
Old Dom.	28.00
Greene Con.	28.50
Shannon	9.12
Union Pac.	116.50
Santa Fe	86.37

Money on call, 3 per cent.

TOMBSTONE WRITES FROM GOLDFIELDS

In a letter of Ed Bratton, formerly
of Tombstone, to Elmer Crouch, Mr.
Bratton, who is in Goldfields, says: "I
left Arizona for this place, and find it
a good one. Wages in the mines are
from four to six dollars; on top from
four to eight dollars, including me-
chanics—all eight hours; board one
dollar per day. I met Jack Padgett,
formerly of Tombstone, and the sand-
wich man. They were at work, and
are getting on nicely. This is a good
place to stay away from, however, as
most of the leases expire the last of
this month, and things will be dull for
a while after that."

ADVANCE IN COPPERS.

A prominent Boston broker, in com-
menting upon the present remarkable
copper share activity, remarked yester-
day that one of the strongest fea-
tures in the present situation is the
fact that comparatively few copper
stocks are offering for sale. The small
traders have already well sold out
and many people who have for months
been awaiting just this sort of market
are now in a position where they want
to buy rather than sell. Copper shares
generally are in stronger hands today
than they have been in five years past
and altogether it looks as if the pre-
sent movement really just started had
come to stay.—Boston Journal.

FRANK J. GRAF, BISBEE COPPER

STOCKS

The only Broker in the Southwest receiving 30 minute quota-
tions from the Copper Country. We guarantee best service, buy
or sell.

Bonanza Stocks, Calumet & Arizona, Calumet & Pittsburg,
Lake Superior & Pittsburg, Pittsburg &
Duluth, Junction.

NEW YORK AND BOSTON STOCKS

Handled on margins through Logan & Bryan, Brokers, members New
York Stock Exchange.

Quotations Received Every 30 Minutes from Logan & Bryan.

Greene Consolidated being listed on Boston Exchange can be bought
and sold on margins.

PRIVATE WIRE FROM NEW YORK TO ALBUQUERQUE

OFFICERS AND DIRECTORS.

L. C. Shattuck, President.
J. M. Muhlen, Vice-President.
J. T. Hood, Cashier.
L. J. Overlock,
Jacob Schmid

MINERS

AND
MERCHANTS
BANK

CAPITAL - \$50,000.00

Drafts on all parts of the world.
Mexican money bought and sold and a
general banking business transacted.

A SHARE OF YOUR PATRONAGE SOLICITED.

C. E. Moorhead, President.
Joseph Magnin, Vice-President.

J. C. Lackland, Cashier.
A. Russell, Asst. Cashier

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Made from Clear Mexican, San Andres Tuxtla, Valle
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We Use Only The Finest

Manufactured by Las Dos Naciones Cigar Company,
Nogales, Arizona.

Watches



C. M. HENKEL

MINING APPLICATION NO. 957. SURVEY NO. 1899.

United States Land Office,
Tucson, Arizona, Nov. 14, 1904.

Notice is hereby given that in pur-
suance of Chapter Six of Title Thirty-
two of the Revised Statutes of the
United States, COPPER QUEEN
CONSOLIDATED MINING COM-
PANY, a corporation organized and
existing under and by virtue of the
laws of the State of New York, and
having its principal place of business
in the Territory of Arizona, at the
City of Bisbee, in the County of Co-
chise, in said Territory, and whose
post office address is Bisbee, Cochise
County, Arizona, by its Attorney in
Fact, Walter Douglas, whose post of-
fice address is Bisbee, Cochise County,
Arizona, has made application for a
United States patent for one hundred
thirteen and four-tenths (113.4) lin-
ear feet of the Manila lode, bearing
copper and other metals, the dis-
covery shaft being N. 37 deg. 30 min.
W. 55 feet from cor. No. 2 of said
lode, hereinafter described, together
with surface ground upon and for said
lode, as hereinafter more particularly
described, said lode and premises be-
ing known as the Manila mining
claim, and situate in Warren Mining
District, Cochise County, Territory of
Arizona, and approximately in Town-
ship 23 S., Range 24 E., G. & S. R.
B. & M. unsurveyed, and more fully
described as to metes and bounds by
the official plat, and by the field notes
of the survey thereof on file in the
office of the Register of the United
States Land Office at Tucson, Ari-
zona, as follows to-wit:

MINERAL SURVEY NO. 1899.

MANILA LODGE. Beginning at cor.
No. 1, the NE. cor., identical with lo-
cation and with cor. No. 6 of Silver
Spray Lode, survey No. 911, a pine
post 4 ft. long 4 ins. sq. set 1 ft. in the
ground in a mound of stones, and
scribed 2-1899 M. L.; whence U. S. M.
No. 4, Warren Mining District,
bears N. 66 deg. 9 min. E. 1728.4 ft.;
thence S. 46 deg. 38 min. W. 6.25 ft.
to original location for SE. end cen-
ter, 12.5 ft. to cor. No. 2, the SE. cor.,
identical with cor. No. 1 of Copper
Monarch Lode, survey No. 1337, a pine
post 4 ft. long 4 ins. sq. set 1 ft. in the
ground in mound of stones, and
scribed 2-1899 M. L.; thence N. 41
deg. 48 min. W. 113.4 ft. to cor. No.
3, the SW. cor., identical with loca-
tion, a pine post 4 ft. long 4 ins. sq.
set 1 ft. in the ground in a mound of
stones, and scribed 2-1899 M. L.;
thence N. 46 deg. 38 min. E. 0.5
(five-tenths) ft. to original location for
NW. end center, 1 ft. to cor. No. 4 the
NW. cor., identical with location, a
pine post 4 ft. long 4 ins. sq. set 1 ft. in
the ground in a mound of stones and
scribed 4-1899 M. L., whence U. S. M.
No. 4, Warren Mining District,
bears N. 69 deg. 30 min. 30 sec. E.
1777.3 ft.; thence S. 47 deg. 36 min. E.
113.7 ft. to cor. No. 1, the place of
beginning. Magnetic variation 42
deg. 330 min. E.

The area of the Manila Lode is
0.018 (eighteen-thousandths) acres.
The presumed course of the vein of
this claim is from the SE. end center
of location N. 44 deg. 42 min. W. 113.4
ft.

The location notice of the above
described mining claim is recorded in
the office of the County Recorder of
Cochise County, Arizona, in Book 17,
Mining Records of Cochise County,
Arizona, at page 303.

Adjoining claims are: Silver
Spray Lode, survey No. 911, adjoining
said Manila mining claim on the north;
Keystone Lode, survey No. 1335,
adjoining said Manila mining
claim on the east, and Copper Mon-
arch Lode, survey No. 1337, adjoining
said Manila mining claim on the south.
All of said adjoining claims are owned
by said Copper Queen Consolidated
Mining Company.

Any and all persons claiming ad-
versely the mining ground, lode, pre-
mises, or any portion thereof, so de-
scribed, surveyed, platted and applied
for are hereby notified that, unless
their adverse claims are duly filed as
required by and according to law,
and the regulations thereunder, with-
in the time prescribed by law, with the
Register of the United States Land
Office at Tucson, in the County of Pima,
Territory of Arizona, they will be
barred by virtue of the provisions of
said statute.

MILTON R. MOORE,
Register.

1st Pub. 11-19.